

Testimony before the Senate Committee on Health Policy

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Presented on behalf of

The Michigan Primary Care Association

By

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Good afternoon Chairman Marleau and members of the committee. My name is Doug Paterson and I am here today representing the 35 Federally Qualified Health Center organizations making up the Michigan Primary Care Association. Collectively, our member organizations operate 230 community health center sites throughout Michigan serving over 600,000 Michigan residents. In addition to providing quality, affordable healthcare services Health Centers across the state of Michigan offer significant assistance to patients and community members enrolling in health insurance coverage programs like Medicaid and MICHild. Nearly one third of patients presenting at a federally qualified health center have no insurance. Health Centers have traditionally and continue to offer consumer assistance with completion of an average of 570 health insurance applications each month. Over the past five years we have assisted over 24,000 Michigan residents with insurance applications.

While we are supportive of the need to assure that navigators are well trained and aware of conflicts of interest and offer competent and objective assistance to people seeking health insurance, we do have some concerns with Senate Bill 324 in its current form.

We support many of the aspects of SB 324, as the navigator program needs to assure clarity for individuals seeking insurance on the newly created Health Benefits Exchange. The complicated nature of selecting insurance requires a certain amount of assistance, as supported by recent independent research conducted by Lake Research partners, which demonstrates that uninsured populations are skeptical, frustrated, stressed, overwhelmed, and confused. Of the roughly half million uninsured adults eligible for tax credits or subsidies through the new health insurance marketplace, nearly 75% have cited they either lack awareness of their coverage options, believe they need in-person assistance to enroll, or both. It is especially critical for these already disadvantaged populations to better understand affordability programs and the intricacies in selecting a health plan. Consequently, the basic concepts of the Navigator program -- specifically the 5 key duties of public education, distributing impartial information about the full range of qualified health plans and insurance affordability programs, facilitating enrollment, providing referrals for coverage problems, and acting in a culturally and linguistically appropriate manner -- are a sound investment in promoting a healthier population, increasing access to care, and driving down health care costs.

As has been proposed in federal regulations, Navigator entities already must register, complete up to 30 hours of an HHS-developed training program and pass a certification exam to ensure appropriate understanding of all relevant information before carrying out any consumer assistance functions. This training program has been designed to include eligibility and enrollment rules and procedures, privacy, security, meaningful access, tax implications and more. Proposed federal regulations also include provisions for Navigator continuing education and annual recertification. Navigators must also comply

with specific standards for providing services in a culturally and linguistically appropriate manner including ensuring access by persons with disabilities . And, finally navigators must disclose any and all conflicts of interest in compliance with strong conflict of interest standards which bar inappropriate participation in the Navigator program.

We wholeheartedly support the fairly robust training, conflict of interest and meaningful access standards set forth in proposed federal regulation, as they will work to ensure high quality assistance is provided to community members.

One concern with SB 324 is that it appears to create additional licensing and training. If we are interpreting the bill correctly, the licensing and training program at the state level seems somewhat duplicative of the federal curriculum and standards. We believe this duplication of existing training, certification and standards for Navigators at the state level potentially creates additional administrative processes that may or may not add substantive value.

MPCA is also concerned with potential Navigator licensing fees required (page 8, line 10). Organizations interested in serving as Navigators will be investing significant resources in staff and training with little to no substantive financial reimbursement given the very low level of Navigator grant funding being provided. Levying licensing fees will only add costs to many non-profit public serving organizations. Similarly, the proposed requirement for both business entities and individuals to acquire licenses and pay related fees adds more costs and creates additional administrative processes. (page 8, line 15)

Another concern is the threat of revocation of a Navigator license for a person that receives financial compensation, gifts or grants from an issuer offering QHPs in the exchange. On this we mostly agree, however the inclusion of grants in this portion of the bill may create barriers for organizations like Health Centers, free clinics and others which have in the past received grant funding from foundations both related to and not related to enrollment. The lack of clarity in what constitutes compensation may have unintentional consequences.

A final concern we have is that the prohibition SB 324 places on Navigators from "providing advice concerning the benefits, terms, and features of a particular health plan" (page 6, line 25), as well as the bill's language which does not allow a Navigator to advise consumers about which health plan to choose may need some editing (page 7, lines 2-3). As no definition for "advise" is found in the bill we fear it could be vaguely interpreted. If an essential role of the Navigator is to provide impartial information about the full range of qualified health plans, it seems inherent that that would entail a discussion of benefits, terms and features of particular health plans? We certainly support prohibiting Navigators from saying "pick this plan," but as the bill now stands a Navigator may not even be able to ask a direct question like, "which of the available plans are affordable based on your family budget" without risking noncompliance.

Again, we truly appreciate the fact that we need to ensure that high quality coverage assistance is available for Michigan residents- it's a sentiment MPCA and our member Health Centers share. However, we would like to work with you and the committee to consider some of the language and issues we see that could be problematic. We want to assure this bill complements not conflicts with federal regulations already proposed.

Thank you for allowing for our input.